

STATE OF TENNESSEE  
 COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY  
 ALL PROPRIETARY FUND TYPES, NONEXPENDABLE TRUST FUNDS AND DISCRETELY PRESENTED COMPONENT UNITS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 1997  
 (With comparative totals for the fiscal year ended June 30, 1996)

(Expressed in Thousands)

|  | PROPRIETARY FUND TYPES |                     | FIDUCIARY FUND TYPES   |
|--|------------------------|---------------------|------------------------|
|  | ENTERPRISE             | INTERNAL<br>SERVICE | NONEXPENDABLE<br>TRUST |
| OPERATING REVENUES:  |                        |                     |                        |
| CHARGES FOR SERVICES   | \$ 9,686               | \$ 288,204          |                        |
| CONTRIBUTIONS  |                        |                     | \$ 1,423               |
| INVESTMENT INCOME  | 3,961                  |                     | 13,833                 |
| SECURITIES LENDING INCOME  |                        |                     | 151                    |
| PREMIUMS   | 128,423                | 272,703             |                        |
| OTHER  |                        | 19                  |                        |
|  | 142,070                | 560,926             | 15,407                 |
| TOTAL OPERATING REVENUES   |                        |                     |                        |
| OPERATING EXPENSES:  |                        |                     |                        |
| PERSONAL SERVICES  | 952                    | 20,756              |                        |
| CONTRACTUAL SERVICES   | 4,266                  | 128,211             |                        |
| MATERIALS AND SUPPLIES   | 34                     | 29,144              |                        |
| RENTALS AND INSURANCE  | 24,974                 | 115,275             |                        |
| INTEREST   | 1,547                  |                     | 265                    |
| DEPRECIATION AND AMORTIZATION  | 4                      | 37,155              |                        |
| BENEFITS   | 109,524                | 199,924             |                        |
| NURSING HOME SERVICES  |                        |                     |                        |
| SECURITIES LENDING   |                        |                     | 138                    |
| OTHER  | 1,186                  | 6,040               | 7,179                  |
|  | 142,487                | 536,505             | 7,582                  |
| TOTAL OPERATING EXPENSES   |                        |                     |                        |
| OPERATING INCOME (LOSS)  | (417)                  | 24,421              | 7,825                  |
| NONOPERATING REVENUES(EXPENSES)  | 2,968                  | (17)                |                        |
| INCOME BEFORE OPERATING<br>TRANSFERS AND EXTRAORDINARY ITEMS                           | 2,551                  | 24,404              | 7,825                  |
| OPERATING TRANSFERS FROM:<br>OTHER FUNDS   | 1                      | 621                 | 252                    |
| PRIMARY GOVERNMENT<br>OPERATING TRANSFERS TO:<br>COMPONENT UNITS<br>PRIMARY GOVERNMENT | (25)                   |                     |                        |
|  |                        |                     |                        |
| INCOME BEFORE EXTRAORDINARY<br>ITEMS   | 2,527                  | 25,025              | 8,077                  |
| EXTRAORDINARY ITEMS (Note 3)   |                        |                     |                        |
| NET INCOME/CHANGE IN<br>RETAINED EARNINGS  | 2,527                  | 25,025              | 8,077                  |
| OTHER CHANGES IN FUND EQUITY:  |                        |                     |                        |
| CONTRIBUTED FIXED ASSETS   |                        | 455                 |                        |
| CAPITAL GRANT  | 31,429                 |                     |                        |
| EQUITY TRANSFERS OUT   |                        |                     |                        |
| EQUITY TRANSFERS IN  | 3,435                  | 765                 |                        |
|  | 37,391                 | 26,245              | 8,077                  |
| NET CHANGE IN FUND EQUITY  |                        |                     |                        |
| FUND EQUITY, JULY 1 (Note 2)   | 253,948                | 304,667             | 149,252                |
| PRIOR PERIOD ADJUSTMENT  |                        | (1,896)             |                        |
|  | 253,948                | 302,771             | 149,252                |
| FUND EQUITY(Restated), JULY 1 (Note 2)   |                        |                     |                        |
| FUND EQUITY, JUNE 30   | \$ 291,339             | \$ 329,016          | \$ 157,329             |

See accompanying Notes to the Financial Statements

| TOTALS<br>(MEMORANDUM<br>ONLY)<br>PRIMARY<br>GOVERNMENT | COMPONENT<br>UNITS | TOTALS<br>(MEMORANDUM ONLY)<br>REPORTING ENTITY<br>FOR THE YEAR ENDED |                   |
|---|--------------------|---|-------------------|
|   |                    | JUNE 30, 1997   | JUNE 30, 1996     |
| \$ 297,890  | \$ 132,786         | \$ 430,676  | \$ 403,461        |
| 1,423   |                    | 1,423   | 2,104             |
| 17,794  | 49,633             | 67,427  | 55,392            |
| 151   |                    | 151   | 444               |
| 401,126   | 553                | 401,679   | 379,147           |
| 19  | 829                | 848   | 159               |
| <u>718,403</u>  | <u>183,801</u>     | <u>902,204</u>  | <u>840,707</u>    |
| 21,708  | 2,706              | 24,414  | 23,799            |
| 132,477   | 5,492              | 137,969   | 120,856           |
| 29,178  | 98                 | 29,276  | 113,295           |
| 140,249   | 398                | 140,647   | 38,160            |
| 1,812   | 134,467            | 136,279   | 128,962           |
| 37,159  | 744                | 37,903  | 37,708            |
| 309,448   | 7,532              | 309,448   | 290,365           |
| 138   |                    | 7,532   | 5,112             |
| 14,405  | 936                | 138   | 419               |
| <u>686,574</u>  | <u>152,373</u>     | <u>15,341</u>   | <u>14,715</u>     |
| 31,829  | 31,428             | 63,257  | 67,316            |
| <u>2,951</u>  | <u>4,691</u>       | <u>7,642</u>  | <u>14,579</u>     |
| 34,780  | 36,119             | 70,899  | 81,895            |
| 874   |                    | 874   | 808               |
|   | 25                 | 25  | 809               |
| (25)  |                    | (25)  | (25)              |
| <u>35,629</u>   | <u>36,144</u>      | <u>71,773</u>   | <u>83,487</u>     |
|   | (165)              | (165)   | (133)             |
| 35,629  | 35,979             | 71,608  | 83,354            |
| 455   |                    | 455   | 22,491            |
| 31,429  | (149)              | 31,429  | 26,592            |
| 4,200   |                    | (149)   | (560)             |
| <u>71,713</u>   | <u>35,830</u>      | <u>4,200</u>  | <u>4,629</u>      |
| 707,867   | 273,167            | 981,034   | 843,592           |
| (1,896)   |                    | (1,896)   | 936               |
| <u>705,971</u>  | <u>273,167</u>     | <u>979,138</u>  | <u>844,528</u>    |
| <u>\$ 777,684</u>                                       | <u>\$ 308,997</u>  | <u>\$ 1,086,681</u>   | <u>\$ 981,034</u> |